

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

1633 BROADWAY

NEW YORK, NEW YORK 10019-6799

212-506-1700

FACSIMILE: 212-506-1800

WRITER'S DIRECT DIAL NUMBER

(212) 506-1783

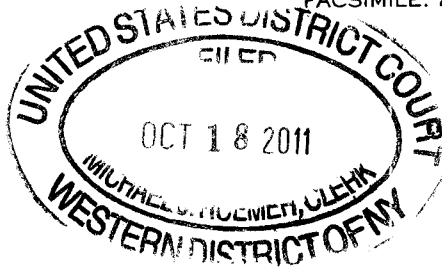
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October 17, 2011

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The Honorable Richard J. Arcara  
United States District Court, W.D.N.Y.  
68 Court Street  
Buffalo, New York 14202

**RICHARD J. ARCARA  
US. DISTRICT JUDGE  
WESTERN DISTRICT OF NEW YORK**

Re: Adelphia Recovery Trust v. HSBC Bank USA  
National Association, et al., No. 1:09-cv-00215 (RJA)

Dear Judge Arcara:

We represent the Adelphia Recovery Trust (the "Trust") in the above-referenced action.

We write to advise the Court on the status of the draft Stipulation and Order (the "Order") regarding the three (3) pending motions before the Court. (Those motions are: (i) the Trust's Motion to Dismiss HSBC's "Post-Petition Tort" counterclaim; (ii) Key Bank's Motion to Dismiss Count 56 (for aiding and abetting a breach of fiduciary duty); and (iii) HSBC's Expedited Motion to Dismiss Count 56 and Count 57 (equitable disallowance of administrative claims or, alternatively, equitable subordination of those claims). This letter is being written because of the inquiry we received on Friday, October 14 from your clerk regarding the status of the Order.

On September 16 (two days after the September 14 Status Conference), we circulated a draft Order. On September 26, we re-circulated the draft Order because we had not heard from the Banks. On October 3, we received a "redline" version of our proposed Order and we provided comments to that draft on October 5. The parties had a telephone conference to discuss the drafts on October 10 (we could not meet with the Banks sooner because of the Jewish holidays) and we hope to have an Order on your Honor's desk shortly.

Respectfully,

David J. Shapiro

cc: Counsel of Record